

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

MESA AIR GROUP, INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 10-10018 (MG)

(Jointly Administered)

**FINAL ORDER PURSUANT TO SECTIONS 105(a), 363(b), AND 503(b)
OF THE BANKRUPTCY CODE AUTHORIZING, BUT NOT DIRECTING,
DEBTORS TO (I) PAY CERTAIN PREPETITION WAGES, COMPENSATION
AND EMPLOYEE BENEFITS; (II) CONTINUE PAYMENT OF WAGES,
COMPENSATION AND EMPLOYEE BENEFITS IN THE ORDINARY COURSE
OF BUSINESS; AND (III) AUTHORIZING AND DIRECTING APPLICABLE
BANKS AND OTHER FINANCIAL INSTITUTIONS TO PROCESS AND PAY
ALL CHECKS PRESENTED FOR PAYMENT AND TO HONOR ALL FUNDS
TRANSFER REQUESTS MADE BY DEBTORS RELATING TO THE FOREGOING**

Upon the motion, dated January 5, 2010 (the “Motion”) [Docket No. 15], of Mesa Air Group, Inc. and its affiliated debtors and debtors in possession (the “Debtors”) for authorization and approval, but not directing, pursuant to sections 105(a), 363(b), 503(b) of title 11 of the United States Code (the “Bankruptcy Code”) and Rules 6003(b) and 6004 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), to (i) pay certain prepetition wages, compensation, and benefits (the “Employee Obligations”) of employees (the “Employees”), (ii) continue payment of wages, compensation, and employee benefits in the ordinary course, (iii) authorize banks and other financial institutions (the “Banks”) to honor all funds transfers, and (iv) schedule a final hearing (the “Final Hearing”) for the relief sought in the Motion, all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334; and

¹ The Debtors are: Mesa Air Group, Inc. (2351); Mesa Air New York, Inc. (3457); Mesa In-Flight, Inc. (9110); Freedom Airlines, Inc. (9364); Mesa Airlines, Inc. (4800); MPD, Inc. (7849); Ritz Hotel Management Corp. (7688);

consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and due and proper notice of the Motion having been provided and that no other or further notice is necessary; and the Court having held an interim hearing and entered an interim order on January 5, 2010 approving certain relief requested in the Motion; and the Court having held the Final Hearing on January 26, 2010, and found and determined that certain relief sought in the Motion is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Motion and the Declaration of Michael J. Lotz in Support of First Day Motions establish just cause for certain of the relief granted herein; and the Court having scheduled a further hearing on February 24, 2010 at 10:00 a.m. to consider payment of the Incentive Plan Obligations to certain individuals set forth below and the Executive Bonuses; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted on a final basis, in part, as provided herein; and it is further

ORDERED that pursuant to sections 105(a) and 363(b) of the Bankruptcy Code, the Debtors are authorized, but not directed, to continue to honor existing practices, programs, and policies with respect to their Employees as such practices, programs, and policies were in effect as of the date of the commencement of these chapter 11 cases; and it is further

ORDERED that pursuant to sections 105(a) and 363(b) of the Bankruptcy Code, the Debtors are authorized, but not directed, to make all payments with respect to prepetition Employee Obligations as described in the Motion in accordance with the Debtors' prepetition practices, programs, and policies, except that the Debtors shall not pay any amounts in respect of

Regional Aircraft Services, Inc. (1911); Air Midwest, Inc. (6610); Mesa Air Group Airline Inventory Management, LLC (2015); Nilchi, Inc. (5531); and Patar, Inc. (1653).

(i) the Incentive Plan Obligations to Michael L. Ferverda, David K. Butler, Paul F. Foley, Brian S. Gillman, Keith C. Kranzow and Gary W. Appling and (ii) the Executive Bonuses, the payment of which shall be considered at the hearing scheduled on March 3, 2010 at 10:00 a.m., with objections to such relief to be filed no later than 5:00 p.m. on February 24, 2010 and replies thereto to be filed no later than 12:00 p.m. on March 1, 2010; and it is further

ORDERED that the Banks set forth on Exhibit A annexed hereto and any other bank authorized to administer the Debtors bank accounts under the Cash Management Motion (as defined in the Motion) shall be, and hereby are authorized, when the Debtors request in the Debtors' sole discretion, to receive, process, honor, and pay any and all checks drawn on the Debtors' payroll or disbursement accounts and any other transfers that are related to the prepetition Employee Obligations and the costs and expenses incidental thereto, whether those checks or transfers were presented prior to or after the commencement of these chapter 11 cases, provided that sufficient funds are available in the accounts to make such payments; and it is further

ORDERED that any Bank may rely on the representations of the Debtors with the respect to whether any check or other transfer drawn or issued by the Debtors prior to the commencement of these chapter 11 cases should be honored pursuant to this Order, and such Bank shall not have any liability to any party for relying on such representations by the Debtors as provided for herein; and it is further

ORDERED that the Debtors are authorized to issue postpetition checks or to effect postpetition funds transfers requests in replacement of any checks or funds transfers requests related to Employee Obligations dishonored or rejected as a consequence of the commencement of these chapter 11 cases; and it is further

ORDERED that nothing in the Motion or in this Order shall be deemed a request by or approval of the Debtors to assume any executory contract or unexpired lease pursuant to section 365 of the Bankruptcy Code; and it is further

ORDERED that nothing in the Motion or this Order shall be construed as impairing the Debtors' rights to contest the validity or amount of any Employee Obligation, including without limitation any taxes that may be due to any Taxing Authority (as defined in the Motion); and it is further

ORDERED that notwithstanding any applicability of Bankruptcy Rule 6004, the terms of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and the requirements of Bankruptcy Rule 6004(a) are waived; and it is further

ORDERED that the relief granted herein and the Debtors' actions in connection with the performance of such relief shall not be deemed or construed as (i) an admission as to the validity of any claim against the Debtors; (ii) a waiver of the Debtors' right to dispute or contest any claim for any reason; (iii) a promise or requirement to pay any claim; (iv) an implication or admission that any particular claim is of a type specified or defined hereunder; (v) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code or that any such agreement is executory or an unexpired lease; or (vi) a waiver of the Debtors' rights under the Bankruptcy Code or any other applicable non-bankruptcy law; and it is further

ORDERED that this Court shall retain jurisdiction with respect to any matters,
claims, rights or disputes arising from or related to the implementation of this Order.

Dated: February 23, 2010
New York, New York

/s/Martin Glenn
HONORABLE MARTIN GLENN
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

(Banks and Payroll Accounts)

Bank Name & Address	Account Name	Account Number
Banco Nacional De Mexico S.A.	Nacional Expense Account	887-54XXXX
Banco Nacional De Mexico S.A.	Nacional Collection Account	887-54 XXXX
Banco Mercantil del Norte S.A.	Mercantil Peso Account	006300 XXXX
Banco Mercantil del Norte S.A.	Mercantil Dollar Account	1038 XXXX
Banco Mercantil del Norte S.A.	Mexico Money Market Account	50033 XXXX
Bank of Hawaii	Hawaii Deposit Account	0003-23 XXXX
Bank of Hawaii	Hawaii Ticket Refund Account	0003-87 XXXX
Wells Fargo Bank	Wells Fargo DIA Liquor Account	103-750 XXXX
Wells Fargo Bank	Workers Comp. Account	106-038 XXXX
BBVA Compass Bank	Main Operating Account	250105 XXXX
BBVA Compass Bank	Compass Money Market Account	250119 XXXX
BBVA Compass Bank	Accounts Payable	1286 XXXX
BBVA Compass Bank	Compass Bank Emergency Reserve	8449 XXXX
BBVA Compass Bank	Freedom Airlines LOC Account	251193 XXXX
Bank of America	Payroll	942837 XXXX
Bank of America	MPD ASU	942912 XXXX
Bank of America	Operating	942845 XXXX
Citizens Bank	MPD Operating Account	11717 XXXX
JPMorgan Chase	JP Morgan Clearinghouse Account	910-2-46 XXXX
Imperial Capital	Bonds	7LU-13 XXXX
Chevy Chase Bank	IAD Liquor deposits	142430 XXXX
Seaway Bank	ORD Liquor deposits	8012 XXXX
Merrill Lynch Trust Company	Deferred Comp. Account	208-95S24 / 2089XXXX
Merrill Lynch Trust Company	Deferred Comp. Account	412-95S31 / 412-2XXXX
Merrill Lynch Trust Company	Deferred Comp. Account	412-9XXXX
Merrill Lynch Trust Company	Deferred Comp. Account	412-9XXXX